



Success story

FSNI North Island

Industry

- Retail/grocery

Solutions

- OpenText™ Vendor Invoice Management for SAP® Solutions
- OpenText™ Invoice Capture Center for SAP® Solutions
- OpenText™ Document Access for SAP® Solutions

Services

- OpenText™ Professional Services

Results



Replaced manual vendor invoice processing with a digitized process, achieving up to 90% automation



Eliminated double handling and redistribution of paper invoices



Ensured a faster, more efficient and transparent supply chain



Created new opportunities for Accounts Payable employees



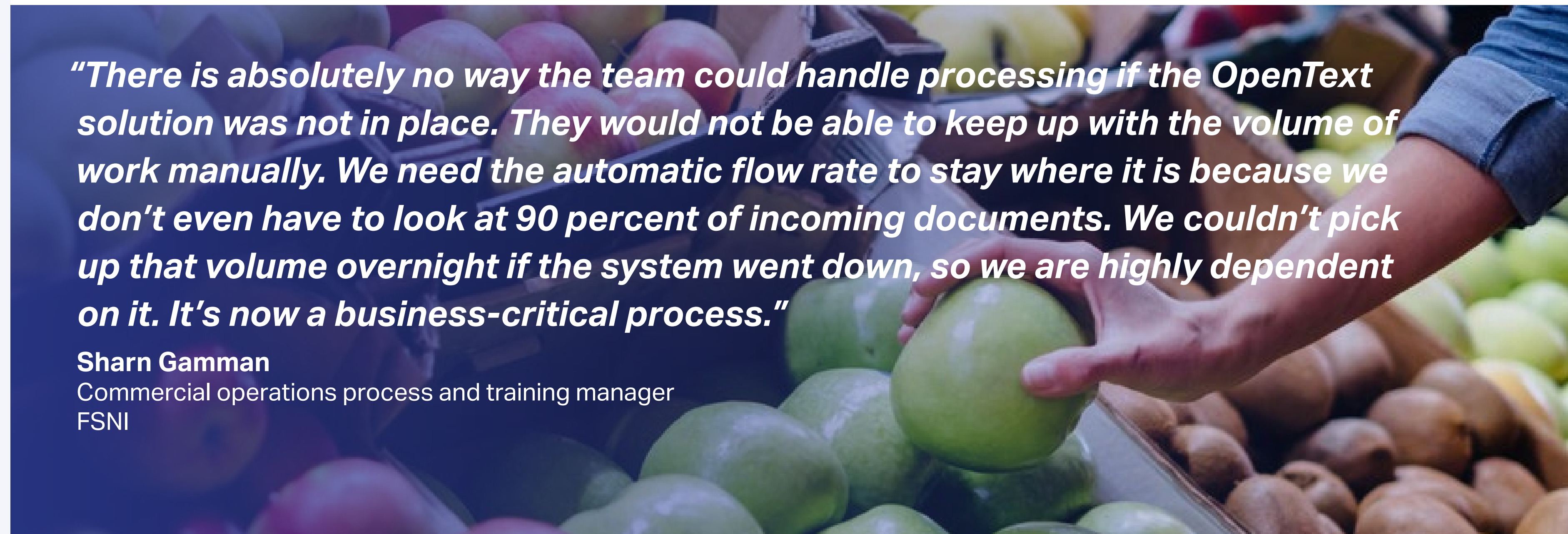
Foodstuffs North Island digitizes invoice processing with OpenText to drive Accounts Payable efficiency

Nationwide grocery co-operative streamlines supply chain and achieves cost savings with OpenText Suite for SAP

"There is absolutely no way the team could handle processing if the OpenText solution was not in place. They would not be able to keep up with the volume of work manually. We need the automatic flow rate to stay where it is because we don't even have to look at 90 percent of incoming documents. We couldn't pick up that volume overnight if the system went down, so we are highly dependent on it. It's now a business-critical process."

Sharn Gamman

Commercial operations process and training manager
FSNI





Foodstuffs North Island is a grocery co-operative that is proudly Kiwi-owned and operated, employing more than 30,000 people nationwide and close to celebrating one hundred years in business.

Foodstuffs is made up of two regional co-operatives in the North and South Island. Foodstuffs North Island (FSNI) comprises 335 member-owned stores and a team of more than 1,900 support and distribution center staff supporting its nationwide operations. With a strategic focus on transparency, cost savings and efficiency, FSNI embarked on a digital transformation project with OpenText to move from a six-step manual invoice management process to an automated paperless system.

At that time, two teams of approximately 18 staff each handled 2.5 million documents per year, including invoices from approximately 1,800 suppliers. Today, the company receives a total of 4.5 million invoices each year. The company operates under a charge through model, with FSNI receiving and processing all invoices for vendors, which are then charged to stores in a double-sided transaction. The goal was to reduce costs, improve accuracy and deliver a vastly improved service to stores and vendors.

“Our stores are our stakeholders and we essentially provide a service to them. When we recognized an opportunity to improve accounts processing and positively impact store cash flow, we decided to take action to digitize [processes] using OpenText,” said Sharn Gamman, commercial operations process and training manager at Foodstuffs.

With SAP® already implemented within its support center, FSNI chose OpenText Suite for SAP to ensure maximum process efficiency from an integrated solution. At an operational level, this would allow Foodstuffs to combine its structured and unstructured data to provide a meaningful user experience and transform key business processes.

Specifically, FSNI leverages OpenText™ Vendor Invoice Management for SAP® Solutions, OpenText™ Invoice Capture Center for SAP® Solutions and OpenText™ Document Access for SAP® Solutions. The solutions enable the company to digitize the entire invoice management process from document receipt through to payment.

FSNI leveraged OpenText™ Professional Services to implement the OpenText solutions. The team helped review and rationalize processes and provide counsel on best practices based on their experience with other large-scale organizational transformations around the world.

The OpenText solutions enabled FSNI to lower invoice processing costs, reduce the need for physical storage space at stores, decrease time retrieving documents when responding to store and vendor queries and avoid the redistribution of paper invoices back to stores via costly courier services.

It has also helped decrease errors in manual data capture and reduce lost and duplicate invoices. The digitization delivers an improved service to stores and vendors and, with invoices accessible at any time, FSNI can be more responsive. Importantly, it also helps with tax and audit compliance by reducing the risks associated with multiple storage approaches for tax invoices.

“All in all, by digitizing a core part of our business with OpenText, we’ve vastly simplified processes to handle bigger volumes automatically. This has helped free up our valued resources to perform more meaningful, rewarding work with the goal of creating value for our owner operators.”

Sharn Gamman
Commercial operations
process and training manager
FSNI



“There is now a very strong focus on efficiency and cost savings, and low-cost purchasing models in our support center. The integrated OpenText Suite for SAP solution has helped us do this and extract even more value from our SAP implementation. When we started, there was an expectation that we would have cost savings from efficiency gains and shift staff to more value-added tasks. This is definitely the case. In addition, with lower manual processing effort we have been able to reinvest and focus on working more closely with our vendors, continually improving the quality of our processes and the success rate for automated processing. We continue to absorb increased volumes with reduced processing effort,” confirmed Gamman.

The benefits for FSNI span the tangible and intangible, tactical and strategic, internal and external, amounting to significant changes to the co-operative’s operational costs and service to its members.

OpenText has enabled FSNI to automate 90 percent of its incoming documents, including 1.5 million scanned paper documents and three million documents received via EDI transfer.

“There is absolutely no way the team could handle processing if the OpenText solutions were not in place. They would not be able to keep up with the volume of work manually. We need the automatic flow rate to stay where it is because we don’t even have to look at 90 percent of incoming documents. We couldn’t pick up that volume overnight if the system went down, so we are highly dependent on it. It’s now a business-critical process,” Gamman explained.

Foodstuff is on a continued drive to improve processes, as well as training and documentation. By analyzing the root causes of inefficiencies, it can make ongoing improvements and create meaningful performance indicators to further showcase the return on investment of the OpenText implementation. FSNI has also moved to an SAP HANA® database and is working towards a HANA app-based environment which OpenText will support.

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